
OVERVIEW

Funding sources are available through local offices to fund services for children and families involved with the child welfare system. These resources may be utilized to fund services for emergency situations or to assist with essential needs. Families may be eligible for financial assistance for childcare, Medicaid, or other assistance payment programs. Local offices also have program funds or allocations to purchase contracted community-based services.

STATE EMERGENCY RELIEF (SER)

State Emergency Relief (SER) is a statewide resource intended to prevent serious harm to individuals and families. SER assists applicants with safe, affordable housing and other essential needs when an emergency arises which threatens health or safety. SER, when applicable, is a first resource to individuals and families and is often sufficient to resolve an emergency.

Eligibility for SER is determined by Family Independence Specialists/Eligibility Specialists.

SER program information, covered services, and department policy is detailed in the State Emergency Relief Manual (ERM).

FAMILY REUNIFICATION ACCOUNT (FRA)

The Family Reunification Account (FRA) is a flexible funds sub-account under the local office Child Safety & Permanency Plan (CSPP) allocation. The amount of CSPP funds designated for FRA is determined by the local office. Use of FRA funds is for the individualized needs of families and must avert/prevent unnecessary removal of children from their home or facilitate early return home or permanency through relative placement. The local office is responsible for certifying that the concrete/direct service purchase is needed in reference to the above.

FRA Eligibility

The FRA is a local office children's services resource. The following families are eligible:

- Families at imminent risk of removal.

- Families with one or more children under the care and supervision of the department.
- To secure placement with a relative and/or prevent removal from an existing relative placement to promote permanency for the child.

SER is the first resource that should be accessed when applicable. Utilization of FRA payment for services must be pursued in the following order:

1. Regular SER services, if applicable.
2. If regular SER is not sufficient to remove a threat to health or safety or to relieve an extreme hardship, an exception to SER policy is to be requested following procedures outlined in [ERM 104, SER Policy Exceptions](#).
3. Payment from FRA funds may be utilized for food, clothing, shelter, security deposits, appliances, furniture, and household items when not covered by SER. Client-specific transportation assistance is allowable for families with an open CPS investigation or CPS ongoing case. FRA funds cannot be used for transportation assistance covered or reimbursed by other responsible resources including classified service functions; see [FOM 903-09, Case Service Payments](#).

Process for FRA

Caseworker Process

The local office must complete the following process:

- Prepare a memo that states:
 - SER eligibility has been exhausted, denied, or is not applicable.
 - The funds are needed to prevent a removal, to accomplish a child's return home by a specified date within the next six months, or to secure/preserve a relative placement.
 - The specific item or service and amount of money need per specified item/service.
 - The case name and case ID.

- The phone number of the primary caseworker and supervisor.
- Prepare the MDHHS-5602, Payment Request.
- Submit the memo and MDHHS-5602 with a hardcopy invoice or bill, per the local business office process. An invoice or bill must be obtained from the vendor/provider before authorizing payment. The invoice or bill obtained from a vendor/provider may be original, faxed, copied, scanned, or emailed. If an invoice is not available, a purchase order should be requested.

Accounting procedures require submittal of the DHS-1419, State Emergency Relief Decision Notice, with the FRA payment request for any services that could be covered by SER. The DHS-1419 documents that SER was attempted but denied. **A DHS-1419 is not required to access FRA for non-SER covered services.** Instead, the local office FRA memo should note that SER is not applicable.

- If the amount from FRA is more than \$500 or the needed service is different than those specified under number 3 of the eligibility section above, an exception may be requested of the local office director; see Family Reunification Account Local Office Exception Process in this item.

Local Business Office Process

Payments are processed by the local business offices.

FRA Local Office Exception Process

The local office director must approve an exception for a support service not specifically identified as a covered service or for amounts exceeding \$500. The local office director is responsible for ensuring that the payment request is an allowable expense. Once the local office director signs an exception request, the payment procedures as outlined above must be followed.

Questions about allowable expenditures may be directed to the [Family Preservation Program Office Mailbox \(MDHHS-Funds@michigan.gov\)](mailto:Family.Preservation.Program.Office.Mailbox@mdhhs.funds.michigan.gov).

**FAMILY
INDEPENDENCE
PROGRAM (FIP)**

The Family Independence Program (FIP) provides financial assistance to families with children. The goal of FIP is to help strengthen family life for children and the parents or caregivers with whom the children are living, and to help the family attain or maintain self-sufficiency.

**FIP Eligibility for a
Legal Parent**

A parent of a dependent child in foster care may be eligible to receive FIP up to 12 months when there is a plan to return the child to the parent's home; see [BEM 210, FIP Group Composition](#).

**FIP Eligibility for a
Caregiver**

A person other than a parent or stepparent may be a caregiver only in the absence of the dependent child's parent or stepparent. If a court order makes the Michigan Department of Health and Human Services (MDHHS) responsible for a child's care and supervision and MDHHS places the child with a caregiver other than the parent or stepparent, the caregiver may be eligible for FIP. If the court allows a parent to reside in the caregiver's home, but not assume custody, the group may be eligible for FIP with the parent as the grantee and the caregiver as the third party payee; see [BEM 210, FIP Group Composition](#).

**MEDICAID
ELIGIBILITY FOR A
PARENT**

Parents with children placed out of the home are not eligible to receive Medicaid (MA) based on FIP eligibility.

Parents without dependent children living in the household may be eligible for another type of FIP related MA, such as Low-Income Family MA for pregnant women, SSI related MA, or a non-Medicaid medical program. Parents in need of medical coverage should pursue the possibilities through the local MDHHS office.

Given the limited MA eligibility and medical programs for parents, insurance coverage should not be considered a barrier to reunification if a parent is trying to address their medical or mental health

needs. The caseworker is to assist the parent with service referrals to address barriers, regardless of insurance eligibility. Once the child is returned home, the parent may again be eligible for MA.

CHILD DEVELOPMENT AND CARE (CDC) SERVICES

The Child Development and Care (CDC) program provides financial assistance with childcare expenses to qualifying families.

Eligibility for Parents

A child's legal parent may apply for CDC services once the child has been returned home and is residing in the parent's household.

Eligibility for Caregivers

CDC services may be approved for a child who is in one of the following out-of-home placements, and the placement meets payment eligibility requirements:

- Licensed foster parent.
- Paid relative placement that receives MDHHS State Ward Board and Care funding for the child's care.
- An unlicensed relative when:
 - The child needing care receives FIP or SSI.
 - The relative caregiver receives SSI or FIP for the child as an ineligible grantee.

CDC services may be approved for a child in an unlicensed relative placement that does not meet payment eligibility requirements; however, these cases may have a contribution/co-payment and the child's income and assets may be considered; see [BEM 703, CDC Program Requirements](#).

Child Age Eligibility

The child who needs childcare services must be one of the following:

- Under age 13.
- Between the ages of 13-17 if one of the following apply:
 - Requires constant care due to a physical/mental/psychological condition.
 - Supervision has been ordered by the court.
- Age 18 and requires constant care due to a physical/mental/psychological condition or a court order, and all the following apply:
 - A full-time high school student.
 - Reasonably expected to complete high school before reaching age 19.

Application

The foster parent/relative caregiver must apply for CDC. The foster parent/relative caregiver must submit a MDHHS-1171, Assistance Application, to the local MDHHS office serving the area where they live; or an electronic application may be completed on the [MIBridges Portal \(https://newmibridges.michigan.gov\)](https://newmibridges.michigan.gov).

Need

If there are two foster parents/relative caregivers in the home, both foster parents/relatives must be unavailable to provide the needed childcare due to a valid CDC need reason:

- Employment.
- High school completion program.
- Family preservation.
- An approved activity.

Other verifications will be required, such as verification of identity, need/reason for childcare, and childcare provider information; see [BEM 703, CDC Program Requirements](#), for more information on need reasons.

Eligibility Determination

Eligibility for the CDC program will be determined by an assistance payments worker after an application is received. The eligibility begin date is the date a complete application is received in the

MDHHS office or up to 21 days prior to the date the application is received.

Eligibility for CDC will end when either:

- The child moves from the eligible placement.
- The eligibility period ends, and the need no longer exists.

Note: When a foster child is adopted by the child's current foster parents during the 12-month eligibility period, CDC may remain open until redetermination with no negative action taken on the case.

Payment to Eligible Providers

Childcare must be provided in Michigan by the following eligible childcare providers, as defined in [BEM 704, CDC Providers](#):

- Childcare centers.
- Group childcare homes.
- Family childcare homes.
- License-exempt facilities.
- Licensed exempt-related or licensed exempt-unrelated providers.

If eligible, the maximum number of hours that can be authorized per child is 90 hours in a biweekly period.

The amount of payment depends on the provider type, age of child, and the provider's rating and training level; see [BEM 706, CDC Payments](#).

POLICY CONTACT

Questions about this policy item may be directed to the [Child Welfare Policy Mailbox \(Child-Welfare-Policy@michigan.gov\)](mailto:Child-Welfare-Policy@michigan.gov).